

**SUPPLEMENT TO MASTER CONTRACT
PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION**

WORKDAY AND REST BREAKS

The regular work day will be from 8:00 a.m. to 5:00 p.m. One 15-minute rest break will be granted during the first four hours of the eight hour work day and one 15-minute rest break during the second four hours. Notification prior to leaving the building during a rest break will be required. For any non-approved leave for personal reasons extending over 15 minutes, the employee will be required to take the appropriate leave time. Rest breaks may not be used to extend lunch periods, except with prior approval.

ARTICLE 8, SECTION 7. (Master Agreement)

Management personnel may occasionally assist in performing or perform tasks otherwise considered to be duties of bargaining unit members.

ASSOCIATION/MANAGEMENT COMMITTEE

An Association/Management Committee will be formed which will consist of no more than three employees who are members of the bargaining unit and employer representative(s). The Committee shall not take the place of the grievance procedure, but will consider day-to-day kinds of matters which are not discussed in the staff meetings, unless it is mutually agreed that the subject be considered by the Committee.

The Executive Director of the Public Employee Retirement Administration, the Director's designee or the bargaining unit executive committee may request such a meeting. The meeting will be held on the Employer's time whenever possible, at a time and date mutually agreeable. In no case will this meeting modify or abrogate the terms and conditions of this contract or the Master Agreement.

FLEXIBLE HOURS

Employees may, with the Management's approval, work a flexible schedule. Work hours will be scheduled between 7:00 a.m. and 6:00 p.m. All lunch breaks will be scheduled between 11:00 a.m. and 2:00 p.m. A schedule consisting of eight hours a day, a half-hour lunch break may be scheduled. A work schedule that includes over eight hours a day, a lunch break of at least one hour must be scheduled. Any time that these flex-time arrangements disrupt maintenance of efficient operations of the agency between 8:00 a.m. and 5:00 p.m., employees' schedules will temporarily be changed to fit these needs. The employee and his/her representative will design a package proposal of all changes in flex-time schedules for Management's consideration. These changes in the flex-time scheduling may be considered quarterly. Employees on flexible hours may

request in the quarterly package that they rotate their schedules within a bureau on a monthly basis. This rotation must be worked out among employees involved before it is proposed in the quarterly package. Should a dispute arise concerning schedules, the Association/Management Committee shall make the decision on the package. The package is subject to Management approval. However, in order to provide for a flexible work week, the provisions for overtime or compensatory time and one-half after eight hours a day, as set forth in Article 8 of the MPEA Master Agreement, may be waived by mutual agreement between the Employer and the employee.

Management may designate some positions that will not be included in this flex-time policy.

There will be no changes in classification due to flex-time.

CLASSIFICATIONS

1. An employee or his/her representative affected by the operation of the Classification Act is entitled to file a complaint with the Board of Personnel Appeals provided for by law and to be heard under the provisions of a grievance procedure to be prescribed by the Board.
2. Direct or indirect interference, restraint, or retaliation by an employee's supervisor or the agency for which the employee works or by any other agency of state government against an employee because the employee has filed, or attempted to file, a complaint with the Board shall also be basis for a complaint and shall entitle the employee to file a complaint with the Board and to be heard under the provisions of the grievance procedure prescribed by the Board.
3. An action attempting to revise the class specifications of or series of class specifications involving an employee exercising the right to appeal their classification, which would adversely affect the employee prior to final resolution or entry of a final order with respect thereto is presumed to be an interference, restraint, coercion, or retaliation prohibited by subsection 2 of this section unless such review was commenced or scheduled prior to filing of the appeal and was not prompted by the grievance appealed from. The presumption is rebuttable.

ARTICLE 10. SECTION 8. (Master Agreement)

An employee awaiting approval on an industrial accident claim must be considered on leave without pay, sick leave or vacation pay status and must provide all required medical information from the attending physician or must provide a valid leave request, specifying the anticipated length of the absence.

ARTICLE 12, SECTION 1. (Master Agreement)

A probationary period shall be utilized for the most effective adjustment of a new employee and for the elimination of any employee whose performance does not, in the judgment of the employee's supervisor, meet the required standard of performance.

The probationary period shall last for nine months. If the Employer determines at any time during the probationary period that the services of the probationary employee are unsatisfactory, the employee may be separated upon written notice from the Employer. The matter of the creation of additional probationary periods may be discussed in the appropriate supplemental(s).

Employees hired prior to July 1, 2007 will be grandfathered under the six month probationary period.

JOB VACANCIES:

Whenever a vacancy or newly-created position occurs within the bargaining unit, the Employer will prepare a job notice and will post the opening internally for a minimum of two working days prior to any public advertisement. Bargaining unit employees who submit a letter of interest within two working days to the person designated in the opening announcement will have three additional working days to complete the application and any other requirements for the posted position. When internal applicants do not possess the desired qualifications, Management reserves the right to consider outside applicants.

BROADBAND PAY PLAN PROVISIONS

Section 1. Statement of broadband pay plan objectives. It is the objective of the Montana Public Employee Retirement Administration to pay employees for their competencies and accomplishments and to consider market factors in establishing pay. The following pay plan provisions represent an initial step toward that goal by progressing employees to market provided they are not under corrective action.

Section 2. Pay ranges. The following pay ranges are for bargaining unit positions represented by the Association:

Band	Job Code	Job Title	Working Title	Minimum	Midpoint (Market)
02	434912	Receptionist	Receptionist	\$ 16,747	\$ 20,934
02	439612	Administrative Clerk	Admin Support Specialist	\$ 16,747	\$ 20,934
03	431213	Admin Support Supervisor	Executive Assistant	\$ 22,813	\$ 28,517
03	433313	Accounting Technician	Payroll/Refund Clerk	\$ 20,040	\$ 25,050
03	439233	Data Processor Technician	Information Systems Processor	\$ 20,097	\$ 25,121
04	232114	Paralegal Legal Assistant	Paralegal	\$ 26,942	\$ 33,678
04	434834	Benefit Technician	Benefit Analyst	\$ 27,166	\$ 33,958
04	434834	Benefits Technician	Database Assistant	\$ 27,166	\$ 33,958
04	434834	Benefits Technician	Pay Benefits Technician	\$ 27,166	\$ 33,958
05	131755	Training Development Spc.	Education & Training Specialist	\$ 26,225	\$ 32,781
05	132115	Accountant	DB Accountant	\$ 27,059	\$ 33,823
05	132135	Auditor	Internal Auditor	\$ 28,210	\$ 35,263
05	151615	Database Analyst	Database Mgr	\$ 36,641	\$ 45,801
06	131736	Benefits Specialist	Disability Examiner	\$ 32,867	\$ 41,084
06	131756	Training Development Spc.	Education & Training Specialist	\$ 31,470	\$ 39,337
06	151516	Systems Analyst	Information Systems Analyst	\$ 45,230	\$ 56,538
06	151716	Network Administrator	LAN Administrator	\$ 37,027	\$ 46,284

Section 3. Occupational market progression. Employees will progress to market pay based on their years of service in their positions according to the occupational pay band contained under Section 2 provided they are not under corrective action. Occupational market progression ranges were implemented on October 15, 2005.

Market Progression within the Occupational Pay Band	
Employee Category	Target Pay Rate
0 to 6 months service in current position	80% of market
More than 6 months to 2 years service in current position	85% of market
More than 2 years to 5 years in current position	95% of market
More than 5 years service in current position	100% of market

Section 4. Hiring rates. Employees new to state government will typically be hired at 80 percent of the market for the occupation. In determining a new employee's hiring rate above 80 percent, the Executive Director, or designee, shall consider criteria such as: the employee's job-related qualifications and competencies; existing salary relationships within the job class, band and work unit; MPERA's ability to pay; and the competitive labor market with mutual agreement of the union.

Section 5. Market progression increases. Employees will receive increases in their market pay rate the first full pay period following completion of the required service in their current position.

Section 6. Training assignments. The Executive Director or designee may establish written training assignments to enable an employee to gain the additional experience and training required for the job. In these cases, the Executive Director or designee may set the employee's base pay rate below the market progression schedule for a period of time not to exceed two years. At the completion of the training assignment, the employee's pay will be set no less than the entry rate of pay for the occupational pay band.

Section 7. Non-exempt supervisors and leadworkers. Market for bargaining unit supervisors (grandfathered from exclusion through MOA with MPEA) will be eight percent above market. Market for lead workers, as identified by the Executive Director, will be four percent of market.

Pay for supervisors in the bargaining unit shall be adjusted by increasing the target market rate by eight percent, and then applying the market adjustments in the manner as agreed to by the parties in September 2002. Pay for lead workers (though there are none currently in the bargaining unit) shall be adjusted by

increasing the target market rate by four percent, and then applying the market adjustments in the same manner as agreed to by the parties in September 2002. Pay components not specifically addressed in this agreement are subject to future proposals and future bargaining. The parties agree to bargain new pay plan rules to be used in administering the MPERA pay plan. Members of the bargaining unit shall receive any statutory pay raises and statutory longevity provided by the Legislature during the term of this agreement.

Section 8. Promotions:

- (1) Promotions into positions in a higher pay band.** A promoted employee will receive a 10 percent pay increase or move to the entry of the higher pay band, whichever is greater. Future progression will be based on years of service in the current position.
- (2) Promotions into positions in the same pay band.** Employees who temporarily or permanently promote to a position in the same pay band but with a higher market rate will maintain the target pay rate of their previous position. Future progression will be based on years of service in the current position.

Section 9. Demotions. The Executive Director or designee shall typically set the base salary of an employee demoted to a position in a lower pay band to a level that maintains the employee's market ratio or, at the director's discretion, the employee's base pay rate in the higher pay band. If the maximum salary of the newly-assigned band is lower than the employee's current base salary, the Executive Director may allow the employee's pay rate to be protected up to a period of 180 calendar days.

Section 10. Within band pay adjustments. Progression within a single occupational pay band, other than that previously described, may be allowed under special circumstances with mutual agreement between the union and MPERA.

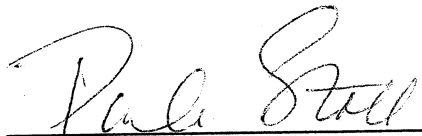
Section 11. Reclassifications. Reclassification of a position does not constitute a new position; therefore, the employee maintains their current market ratio based on years of service.

Section 12. 2007-09 pay raises. All employees will receive the statutory pay increases of 3% October 1, 2007, and October 1, 2008, as described in HB 13. MPERA will pool the 0.6% discretionary funds available October 1, 2007 to advance below market employees toward their target market rate. MPERA will pool 0.3% of the discretionary funds available October 1, 2008 to advance below market employees. The remaining 0.3% will be distributed across the board to all covered employees.

Section 13. Competency pay component. Management will continue to work on the competency-based pay component, and the parties agree to open the contract to further negotiation the competency-based pay component.

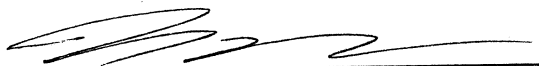
This Agreement is signed and dated this 9th day of July, 2007.

FOR: STATE OF MONTANA

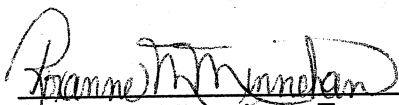


Paula Stoll, Chief
State Office of Labor Relations

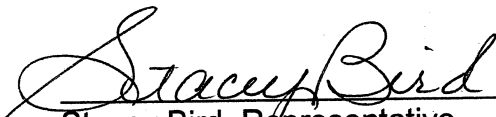
FOR: MONTANA PUBLIC
EMPLOYEES ASSOCIATION



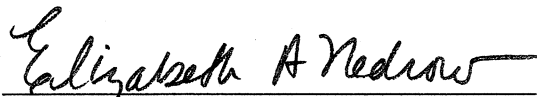
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